



Sen. Terry Link

**Filed: 2/24/2006**

09400SB0893sam001

LRB094 04541 AJ0 56506 a

1 AMENDMENT TO SENATE BILL 893

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 893 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Credit Union Act is amended by  
5 changing Section 20 as follows:

6 (205 ILCS 305/20) (from Ch. 17, par. 4421)

7 Sec. 20. Election or appointment of officials.

8 (1) The credit union shall be directed by a Board of  
9 Directors consisting of no less than 7 in number, to be elected  
10 at the annual meeting by and from the members. Directors shall  
11 hold office until the next annual meeting, unless their terms  
12 are staggered. Upon amendment of its bylaws, a credit union may  
13 divide the Directors into 2 or 3 classes with each class as  
14 nearly equal in number as possible. The term of office of the  
15 directors of the first class shall expire at the first annual  
16 meeting after their election, that of the second class shall  
17 expire at the second annual meeting after their election, and  
18 that of the third class, if any, shall expire at the third  
19 annual meeting after their election. At each annual meeting  
20 after the classification, the number of directors equal to the  
21 number of directors whose terms expire at the time of the  
22 meeting shall be elected to hold office until the second  
23 succeeding annual meeting if there are 2 classes or until the  
24 third succeeding annual meeting if there are 3 classes. A

1 Director shall hold office for the term for which he or she is  
2 elected and until his or her successor is elected and  
3 qualified.

4 (1.5) Except as provided in subsection (1.10), in ~~in~~ all  
5 elections for Directors, every member has the right to vote, in  
6 person or by proxy, the number of shares owned by him, or in  
7 the case of a member other than a natural person, the member's  
8 one vote, for as many persons as there are Directors to be  
9 elected, or to cumulate such shares, and give one candidate as  
10 many votes as the number of Directors multiplied by the number  
11 of his shares equals, or to distribute them on the same  
12 principle among as many candidates as he may desire and the  
13 Directors shall not be elected in any other manner. Shares held  
14 in a joint account owned by more than one member may be voted  
15 by any one of the members, however, the number of cumulative  
16 votes cast may not exceed a total equal to the number of shares  
17 multiplied by the number of directors to be elected. A majority  
18 of the shares entitled to vote shall be represented either in  
19 person or by proxy for the election of Directors. Each Director  
20 shall wholly take and subscribe to an oath that he will  
21 diligently and honestly perform his duties in administering the  
22 affairs of the credit union, that while he may delegate to  
23 another the performance of those administrative duties he is  
24 not thereby relieved from his responsibility for their  
25 performance, that he will not knowingly violate or willingly  
26 permit to be violated any law applicable to the credit union,  
27 and that he is the owner of at least one share of the credit  
28 union.

29 (1.10) Upon amendment of a credit union's bylaws approved  
30 by the members, in all elections for Directors, every member  
31 who is a natural person shall have the right to cast one vote,  
32 regardless of the number of his or her shares, in person or by  
33 proxy, for as many persons as there are Directors to be  
34 elected.

1           (2) The Board of Directors shall appoint from among the  
2 members of the credit union, a Supervisory Committee of not  
3 less than 3 members at the organization meeting and within 30  
4 days following each annual meeting of the members for such  
5 terms as the bylaws provide. Members of the Supervisory  
6 Committee may, but need not be, on the Board of Directors, but  
7 shall not be officers of the credit union, members of the  
8 Credit Committee, or the credit manager if no Credit Committee  
9 has been appointed.

10           (3) The Board of Directors may appoint, from among the  
11 members of the credit union, a Credit Committee consisting of  
12 an odd number, not less than 3 for such terms as the bylaws  
13 provide. Members of the Credit Committee may, but need not be,  
14 Directors or officers of the credit union, but shall not be  
15 members of the Supervisory Committee.

16           (4) The Board of Directors may appoint from among the  
17 members of the credit union a Membership Committee of one or  
18 more persons. If appointed, the Committee shall act upon all  
19 applications for membership and submit a report of its actions  
20 to the Board of Directors at the next regular meeting for  
21 review. If no Membership Committee is appointed, credit union  
22 management shall act upon all applications for membership and  
23 submit a report of its actions to the Board of Directors at the  
24 next regular meeting for review.

25           (Source: P.A. 91-929, eff. 12-15-00; 92-608, eff. 7-1-02.)".